

H-3040 CHILDREN UNDER AGE 19-LaCHIP AFFORDABLE PLAN**H-3041 GENERAL INFORMATION**

Effective June 1, 2008, Louisiana Medicaid implemented an expansion of the State Child Health Insurance Program (SCHIP) to provide health assistance to uninsured children with family income too high to qualify for regular LaCHIP, but equal to or less than 255% (250% plus 5% disregard) of the Federal Poverty Level (FPL). LaCHIP Affordable Plan (LAP) is a separate state SCHIP Program and different from the LaCHIP program.

LAP is a cost-sharing program with a monthly premium of \$50 per household, regardless of the number of certifications per household due to multiple income units. A household which has at least one eligible child verified as a member of a federally recognized American Indian or Alaskan native tribe will pay no premium.

The Patient Protection and Affordable Care Act of 2010, referred to as the Affordable Care Act (ACA), combines all mandatory and optional eligibility groups for individuals under age 19 into one coverage group. The Children Group includes those children covered under **LaCHIP AFFORDABLE PLAN**. Eligibility for applicants/enrollees in the Children Group is determined by using Modified Adjusted Gross Income (MAGI) methodology

A LaCHIP Affordable Plan child is one who;

- Is under age nineteen (19),
- Is not income eligible for regular LaCHIP,
- Has MAGI-based income that does not exceed 255% of the Federal Poverty Level (250% FPL plus 5% disregard),
- Does not have other insurance or access to the State Employees Health Plan,
- Has been determined eligible for child health assistance under the State Child Health Insurance Plan,
- Custodial parent has not voluntarily dropped the child(ren) from employer sponsored insurance within the previous 3 months

without good cause.

Good cause exceptions to the 3-month waiting period for dropping employer sponsored insurance:

- Lost insurance due to divorce or death of parent.
- Lifetime maximum reached.
- COBRA coverage ends (up to 18 months).
- Insurance ended due to lay-off or business closure.
- Changed jobs; new employer does not offer dependent coverage.
- Employer no longer provides dependent coverage.
- Monthly family premium exceeds 9.5% of household income.
- Monthly premium for coverage of the child exceeds 5% of household income

H-3042 ELIGIBILITY DETERMINATION PROCESS

Determine eligibility by applying the following criteria. The elements have been listed in the most logical order, but work on all steps simultaneously.

H-3042.1 Determine Assistance Unit

The assistance unit consists of the child(ren) under age nineteen (19).

H-3042.2 Establish Categorical Requirement

Each eligible child must be under age 19.

H-3042.3 Establish Non-financial Eligibility

Verify eligibility for each member of the assistance/benefit unit with regard to the following factors:

- Assignment of Third Party Rights I-200
- Citizenship/Alien Status I-300
- Enumeration I-600
- Residence I-1900
- Lack of Creditable Health Coverage I-2200
- Access to State Employer Health Insurance Plan
- Employer sponsored insurance not voluntarily dropped during previous three (3) months.

H-3042.4 Establish Need

Household composition and countable income for LaCHIP Affordable Plan Children is based on MAGI. Refer to I-1550, MAGI Determinations.

Compare MAGI-based income to LaCHIP Affordable Plan Income Standard. [Refer to Z-200, Federal Poverty Income Guidelines.](#)

H-3042.5 Eligibility Decision

Evaluate all eligibility requirements and verifications received to make the eligibility decision.

H-3042.6 Certification Period

The certification period shall not exceed twelve (12) months. Eligibility will always begin on the first of the month after the eligibility determination has been completed.

Retroactive coverage is not available. Please see the [Premium-Based Programs](#) chapter in the Procedures Manual for protocol on requesting a retroactive start date because of an agency error.

Twelve months of continuous eligibility does not apply when it is discovered that an enrollee has obtained creditable health insurance or

has failed to pay the monthly premium.

H-3042.7 Notice of Decision

Send the appropriate notice of decision to the applicant/enrollee. LAP Approval Notices are not automatically generated.

H-3042.8 Premiums

Premiums will be collected by the Office of Group Benefits (OGB). OGB anticipates the receipt of the first premium once the certification is placed on MEDS. Benefits do not begin until the first premium payment has been received.

Premiums are due by the 10th day of the month. The initial premium invoice will be included with the approval notice. Subsequent billing will be done by OGB. Advance notice of closure will be system generated if premium is not received by the 10th day of the month.